

ADMINISTRATIVE - INTERNAL USE ONLY

INSTRUCTION NO.  
LI 45-10

LI 45-10  
LOGISTICS  
Revised 22 September 1975

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SUBJECT: Processing of MILSTRIP and FEDSTRIP Documentation

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1. PURPOSE

This instruction provides policy guidance for processing documentation in connection with Military and Federal Standard Requisitioning and Issue Procedures (MILSTRIP and FEDSTRIP). These MILSTRIP/FEDSTRIP procedures are unique, particularly as they affect the process between the Office of Logistics (OL) and the Office of Finance (OF) in that procurement instruments and receiving documents are not provided to OF, and billings are paid without verification of receipt.

2. SCOPE

This instruction applies only to procurement requisitions utilizing the MILSTRIP/FEDSTRIP systems and to commercial procurements made through the General Services Administration (GSA) which uses MILSTRIP/FEDSTRIP documentation (DD Form 1348m DOD Single Line Item Requisition System Document). These procurements are always accomplished by Supply Division (SD), OL, vice Procurement Division (PD), OL.

3. POLICY

Under the concept of "constructive evidence of receipt," OF does not require copies of MILSTRIP/FEDSTRIP requisitions or receiving reports to support the payment of billings, except for accommodation procurements and reimbursable sales to other U.S. Government agencies. MILSTRIP/FEDSTRIP billings will be paid immediately upon receipt by OF without verification of receipt of the materiel.

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4. RESPONSIBILITIES

a. Supply Division, OL

- (1) Initiate MILSTRIP/FEDSTRIP procurements by forwarding DD Form 1348m to the appropriate Government supplying agency.
- (2) Prepare Agency Form 2216 for use as a procurement notice as well as a receiving report. Distribute copies to the requisitioning and receiving activities, to Budget and Fiscal Branch, Executive Office (EO/B&FB), OL, as well as to OL/SD's accountable file.
- (3) Advise OF and OL/EO/B&FB of MILSTRIP/FEDSTRIP procurements by means of daily registers that cross-reference the MILSTRIP/FEDSTRIP Document Control Number (DCN) with the Agency DCN, and record the Materiel Procurement Account (MPA), unit price, and quantity for each MILSTRIP/FEDSTRIP action to enable OF to readily identify billings and verify the completeness of shipments.
- (4) Resolve consequential discrepancies which occur as the result of materiel discrepancies with the supplying agency. No attempt will be made to resolve inconsequential discrepancies with the supplying agency or to adjust billings. The criteria for distinguishing between consequential and inconsequential discrepancies are set forth in LI 45-6.
- (5) Request credit billings from supplying agencies for consequential discrepancies when such are due, using Standard Form 364, Report of Item Discrepancy (original plus 2 copies). Provide OF with a copy of this report.
- (6) Forward requisitions and shipping documents (outbound shipments from OL/SD depot) to OF for accommodation procurements and reimbursable sales. No other MILSTRIP/FEDSTRIP requisitions, shipping documents, or receiving reports are to be forwarded to OF.

b. Office of Finance

- (1) Match billings from MILSTRIP/FEDSTRIP transactions, when received from the supplying agencies, with the appropriate Agency DCN and

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MPA provided by OL on the Cross-Reference Registers. OF will pay billings immediately without verification of receipt. When significant variations in costs are evident, OF should contact an individual in OL/EO/B&FB who will refer to the requisition and/or receiving report for an explanation or otherwise research the costs before a billing adjustment is requested.

- (2) Support its action in certifying the billings for payment by internal site audits and reviews, on a selective basis, of OL receiving records.
- (3) Resolve financial consequential differences such as duplicate billings, wrong billings, and billings for supposedly nonreimbursable transactions which require the preparation of Administrative Audit Differences Statements (if MILSTRIP) or Standard Form 364 (if FEDSTRIP).
- (4) Maintain an advance account with GSA for the payment of billings resulting from commercial procurements placed through GSA (Account 291.09). GSA will pay the vendor's bill based on receiving information provided to GSA by [redacted] SD/OL, on GSA Form 300. Periodically, OL/SD receives these accountings, with attached purchase orders, and forwards them to OF via OL/EO/B&FB. OF then reimburses the advance account accordingly without further verification of receipt of the materiel.

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CONCURRENCE:

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18 SEP 1975

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